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FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

December 30, 1994

IN REPLY REFER TO

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Honorable William D. Ford Chairman

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Committee on Education and Labor U.S. House of Representatives 2181 Rayburn House Office Building Washington, D.C. 20515-6100

FEDERAL COMMUNICATIONS COMMISSION

OFFICE OF SECRETARY

Dear Congressman Ford,

This letter responds to your correspondence to Chairman Hundt expressing your support of the comments filed by the American Library Association (ALA), the Council of Chief State School Officers, the National Education Association, the National Association of Secondary School Principals, and the National School Boards Association in response to the notice of proposed rulemaking released by the Commission in CC Docket No. 94-1 on February 16, 1994 ("Price Cap Performance Review for Local Exchange Carriers").

The proposal seeks to redirect the Consumer Productivity Dividend associated with price caps to a program designed to benefit schools and libraries through plans mutually agreed upon by all parties.

As new technologies develop, it is important to explore the promise of the information superhighway insofar as it will benefit schoolchildren and libraries. To this end, many states are working actively on projects that would facilitate distance learning and connect the classrooms in their states, and I am sure that you are aware of the Administration's recent proposal to use some of the revenues generated from the Commission's personal communications service license auctions for projects to connect schools to the national information infrastructure. In addition, the private sector has been actively working on innovative solutions to promote these goals. The Commission intends to study the proposals of the ALA and others to ensure that the demands of the educational marketplace are satisfied and that the public interest is best served.

As the Price Cap Performance Review is a pending Rule Making, a copy of your letter has been placed in the record in CC Docket 94-1 and will be carefully considered as we resolve the issues therein.

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Thank you again for your interest in this issue.

Sincerely,

Kathleen M.H. Wallman Chief, Common Carrier Bureau

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COMMITTEE ON EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

2181 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6100

July 27, 1994

MAJORITY—(202) 225-4527 (TTY)—(202) 226-3372 MINORITY—(202) 225-3725 (TTY)—(202) 226-3113

The Honorable Reed E. Hundt, Chairman Federal Communications Commission 1919 M Street NW, Suite 814 Washington, DC 20554

Dear Mr. Chairman:

I am writing to add my enthusiastic support of the comments you recently received from five education and library organizations in response to the matter before the Federal Communications Commission on "Price Cap Performance Review for Local Exchange Carriers" (CC Docket 94-1).

Briefly, the education and library organizations propose that the Federal Communications Commission (FCC) redirect the Consumer Productivity Dividend to a program designed to benefit schools and libraries through plans mutually agreed upon by all parties. They recommend, in this context, that the approximately \$300 million a year available through the dividend be allocated to a special account against which the Local Exchange Carriers would charge investments made in educational and library infrastructure in their telephone service territories.

I believe the proposal offers a cost-effective, sensible approach which could greatly further the Administration's worthy goal to connect every classroom and library to the National Information Infrastructure by the year 2000.

As Chairman of the Education and Labor Committee, I have supported a variety of measures before both my Committee and other Committees which would help assure that schools and libraries reap the full benefits of the rapidly changing technologies which are influencing all aspects of modern life.

Specifically, the Education and Labor Committee recently guided to enactment the Goals 2000 legislation in which the Congress endorsed a process which would reform education by driving improvements systemically, whether the improvements concerned teaching, learning or the conception of education generally. Following enactment of the Goals bill, the House of

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Representatives passed the comprehensive education bill to extend Elementary and Secondary Education Act programs. This bill also includes a broad new initiative to spur greater use of educational technology in schools and libraries all across the country. Even though the legislation has yet to be enacted, the Appropriations Committee has signaled its willingness to set aside a small amount of funds should the program be enacted, which is remarkable given the fiscal restraints being dealt with this year. Clearly, there is a strong desire to include schools and libraries as participants in the information infrastructure because of the clear link between the development of the National Information Infrastructure (NII) and the types of educational changes envisioned in these major education initiatives.

The NII promises to provide schools and libraries with the ability to tap into vast stores of information, to get in touch with other classes and teachers to compare information and share experiences. This potential will only be realized, however, if appropriate public policies are put in place at every step of the way.

I am familiar with, and appreciate, your personal interest in making the National Information Infrastructure accessible to the public, in part, by making it affordable for schools and libraries. I hope you will give the proposal submitted by the education and library organizations your full consideration as a way to leverage public policy to stimulate private investment in the NII and in the process benefitting two fundamental underpinnings of our democracy.

With kind regards,

Sincerely,

WILLIAM D. FORD

Chairman

WDF: jmm